

AMENDED IN ASSEMBLY AUGUST 31, 2011

AMENDED IN ASSEMBLY AUGUST 26, 2011

AMENDED IN ASSEMBLY AUGUST 15, 2011

AMENDED IN ASSEMBLY JULY 13, 2011

AMENDED IN ASSEMBLY JUNE 13, 2011

AMENDED IN SENATE MAY 4, 2011

AMENDED IN SENATE MARCH 24, 2011

SENATE BILL

No. 547

Introduced by Senator Steinberg

(Coauthor: Senator Price)

(Coauthors: Assembly Members Furutani and Solorio)

February 17, 2011

An act to amend Section 52052.5 of, to amend and repeal Sections 52052 and 52052.1 of, and to add Sections 52052.8, 52052.81, 52052.82, 52052.83, and 52052.84 to, the Education Code, relating to school accountability.

LEGISLATIVE COUNSEL'S DIGEST

SB 547, as amended, Steinberg. Public school performance accountability.

(1) Existing law requires the Superintendent of Public Instruction, with the approval of the State Board of Education, to develop an Academic Performance Index (API), consisting of specified indicators, to measure the performance of schools and pupils.

This bill would make these provisions inoperative on July 1, 2014, and repeal them as of January 1, 2015. The bill would require the

Superintendent, in consultation with a specified advisory committee, to develop an Education Quality Index (EQI), which would replace the API and consist of a State Assessment Index, a Graduation Rate Index, a College Preparedness Index, and a Career Readiness Index. The bill would require that these indices consist of specified criteria. *In developing the EQI, the Superintendent and this advisory committee would be required to consult with the University of California, the California State University, the California Community Colleges, the Employment Development Department, and other appropriate entities.* The bill would require the state board to provide opportunities for public input, make changes as necessary, and adopt the EQI no later than August 1, 2014. Commencing with the 2014–15 school year, the bill would require that all schools and school districts be evaluated using an EQI value. The bill would require the Superintendent to report to the Governor and the appropriate policy and fiscal committees of the Legislature by July 1, 2013, and annually thereafter, specified information relating to the creation of additional indices. The bill also would require the Superintendent, in consultation with a specified advisory committee, and subject to an appropriation in the annual Budget Act or another statute for this purpose, to contract for an independent evaluation of the effectiveness and reliability of the EQI and any statutory changes recommended for improvement, and to submit the evaluation and recommendations in a report to the Governor and the appropriate policy and fiscal committees of the Legislature by July 1, 2018. To the extent that this bill would impose new duties on school districts in connection with the establishment of the EQI, including, but not limited to, new reporting duties, it would impose a state-mandated local program.

This bill would also make conforming and clarifying changes relating to the duties of a specified advisory committee. The bill would require this advisory committee, for purposes of work relating to the EQI, to seek input through the establishment of subcommittees or other methods from persons with expertise in various areas, and, commencing January 1, 2012, through July 1, 2016, to hold a public meeting at least once each quarter per year.

(2) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state,

reimbursement for those costs shall be made pursuant to these statutory provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. (a) The Legislature finds and declares all of the
2 following:

3 (1) Too many pupils in California face educational challenges
4 that could impede their ability to be productive participants in the
5 state and national economies.

6 (2) Nearly 100,000 California pupils are dropping out of middle
7 and high school annually, a number equivalent in size to the
8 population of the City of San Mateo or the City of Compton.
9 Gainful employment prospects for dropouts are shrinking given
10 the changing nature of the California economy.

11 (3) Many of those who do graduate from high school find
12 themselves underprepared for the demands of college and the
13 workplace. Nearly half of all freshmen in the California
14 Community Colleges and the California State University system
15 require remediation in either reading or mathematics.

16 (4) A stronger and more integrated approach to learning that
17 combines rigorous academics with career education can engage
18 and motivate pupils who are at risk of dropping out and can create
19 more options for them after high school, whether they choose
20 postsecondary education or a career. Such an approach can better
21 prepare pupils for entry directly into the workforce after high
22 school, without compromising academic goals and preparation for
23 postsecondary education.

24 (5) A large majority of California high school pupils surveyed
25 say they would be more motivated to work hard and do well if
26 they attended schools where they could take courses needed for
27 college and at the same time have the chance to acquire skills and
28 knowledge relevant to future careers.

29 (6) The Public Policy Institute of California projects that by
30 2025, two of every five jobs (41 percent) will require a college
31 degree. Without an increased commitment to college readiness
32 and access, Californians with college degrees will amount to just
33 35 percent of the 2025 workforce, well short of the need. Absent

1 improvements to college and career pathways for pupils, the growth
2 of our emerging economy will be hindered by a lack of highly
3 educated and skilled workers.

4 (b) The Legislature further finds and declares all of the
5 following:

6 (1) The state's primary accountability measure for public
7 schools, the Academic Performance Index, has performed an
8 important function and has served as a compass by which schools
9 have directed their school improvement efforts.

10 (2) The Academic Performance Index has been limited, however,
11 by an overreliance on the Standardized Testing and Reporting
12 Program as the chief indicator of school performance. Statute
13 requires dropout and graduation rates to be included, but those
14 rates are not yet incorporated.

15 (3) California's ongoing transition to new common core
16 academic content standards presents an opportunity for the state
17 to reexamine its system of public school accountability, the goals
18 the state sets for its public schools, and the most appropriate
19 methods for measuring progress toward those goals. The new
20 generation of pupil assessments that will accompany the common
21 core academic content standards may provide better information
22 about pupils' ability to analyze and solve complex problems,
23 communicate clearly, synthesize information, and apply
24 knowledge. These skills and capacities are vital to their success
25 in the global economy of the 21st century.

26 (c) It is the intent of the Legislature that California's system of
27 public school accountability evolve to encompass other valuable
28 metrics in addition to pupil test scores, graduation rates, and
29 dropout rates. It is further the intent of the Legislature that a more
30 comprehensive set of expectations and aspirations for California's
31 public schools be reflected in the accountability system, including
32 measures of pupil preparedness for college and career, and pupil
33 engagement in school.

34 SEC. 2. Section 52052 of the Education Code is amended to
35 read:

36 52052. (a) (1) The Superintendent, with approval of the state
37 board, shall develop an Academic Performance Index (API), to
38 measure the performance of schools, especially the academic
39 performance of pupils.

1 (2) A school shall demonstrate comparable improvement in
2 academic achievement as measured by the API by all numerically
3 significant pupil subgroups at the school, including:

- 4 (A) Ethnic subgroups.
- 5 (B) Socioeconomically disadvantaged pupils.
- 6 (C) English learners.
- 7 (D) Pupils with disabilities.

8 (3) (A) For purposes of this section, a numerically significant
9 pupil subgroup is one that meets both of the following criteria:

10 (i) The subgroup consists of at least 50 pupils each of whom
11 has a valid test score.

12 (ii) The subgroup constitutes at least 15 percent of the total
13 population of pupils at a school who have valid test scores.

14 (B) If a subgroup does not constitute 15 percent of the total
15 population of pupils at a school who have valid test scores, the
16 subgroup may constitute a numerically significant pupil subgroup
17 if it has at least 100 valid test scores.

18 (C) For a school with an API score that is based on no fewer
19 than 11 and no more than 99 pupils with valid test scores,
20 numerically significant pupil subgroups shall be defined by the
21 Superintendent, with approval by the state board.

22 (4) The API shall consist of a variety of indicators currently
23 reported to the department, including, but not limited to, the results
24 of the achievement test administered pursuant to Section 60640,
25 attendance rates for pupils in elementary schools, middle schools,
26 and secondary schools, and the graduation rates for pupils in
27 secondary schools.

28 (A) Graduation rates for pupils in secondary schools shall be
29 calculated for the API as follows:

30 (i) Four-year graduation rates shall be calculated by taking the
31 number of pupils who graduated on time for the current school
32 year, which is considered to be three school years after the pupils
33 entered grade 9 for the first time, and dividing that number by the
34 total calculated in clause (ii).

35 (ii) The number of pupils entering grade 9 for the first time in
36 the school year three school years prior to the current school year,
37 plus the number of pupils who transferred into the class graduating
38 at the end of the current school year between the school year that
39 was three school years prior to the current school year and the date
40 of graduation, less the number of pupils who transferred out of the

1 school between the school year that was three school years prior
2 to the current school year and the date of graduation who were
3 members of the class that is graduating at the end of the current
4 school year.

5 (iii) Five-year graduation rates shall be calculated by taking the
6 number of pupils who graduated on time for the current school
7 year, which is considered to be four school years after the pupils
8 entered grade 9 for the first time, and dividing that number by the
9 total calculated in clause (iv).

10 (iv) The number of pupils entering grade 9 for the first time in
11 the school year four years prior to the current school year, plus the
12 number of pupils who transferred into the class graduating at the
13 end of the current school year between the school year that was
14 four school years prior to the current school year and the date of
15 graduation, less the number of pupils who transferred out of the
16 school between the school year that was four years prior to the
17 current school year and the date of graduation who were members
18 of the class that is graduating at the end of the current school year.

19 (v) Six-year graduation rates shall be calculated by taking the
20 number of pupils who graduated on time for the current school
21 year, which is considered to be five school years after the pupils
22 entered grade 9 for the first time, and dividing that number by the
23 total calculated in clause (vi).

24 (vi) The number of pupils entering grade 9 for the first time in
25 the school year five years prior to the current school year, plus the
26 number of pupils who transferred into the class graduating at the
27 end of the current school year between the school year that was
28 five school years prior to the current school year and the date of
29 graduation, less the number of pupils who transferred out of the
30 school between the school year that was five years prior to the
31 current school year and the date of graduation who were members
32 of the class that is graduating at the end of the current school year.

33 (B) The inclusion of five- and six-year graduation rates for
34 pupils in secondary schools shall meet the following requirements:

35 (i) Schools shall be granted one-half the credit in their API
36 scores for graduating pupils in five years that they are granted for
37 graduating pupils in four years.

38 (ii) Schools shall be granted one-quarter the credit in their API
39 scores for graduating pupils in six years that they are granted for
40 graduating pupils in four years.

1 (iii) Notwithstanding clauses (i) and (ii), schools shall be granted
2 full credit in their API scores for graduating in five or six years a
3 pupil with disabilities who graduates in accordance with his or her
4 individualized education program (IEP).

5 (C) The pupil data collected for the API that comes from the
6 achievement test administered pursuant to Section 60640 and the
7 high school exit examination administered pursuant to Section
8 60851, when fully implemented, shall be disaggregated by special
9 education status, English learners, socioeconomic status, gender,
10 and ethnic group. Only the test scores of pupils who were counted
11 as part of the enrollment in the annual data collection of the
12 California Basic Educational Data System for the current fiscal
13 year and who were continuously enrolled during that year may be
14 included in the test result reports in the API score of the school.
15 Results of the achievement test and other tests specified in
16 subdivision (b) shall constitute at least 60 percent of the value of
17 the index.

18 (D) Before including high school graduation rates and attendance
19 rates in the API, the Superintendent shall determine the extent to
20 which the data currently are reported to the state and the accuracy
21 of the data. Notwithstanding any other law, graduation rates for
22 pupils in dropout recovery high schools shall not be included in
23 the API. For purposes of this subparagraph, “dropout recovery
24 high school” means a high school in which 50 percent or more of
25 its pupils have been designated as dropouts pursuant to the
26 exit/withdrawal codes developed by the department.

27 (E) The Superintendent shall provide an annual report to the
28 Legislature on the graduation and dropout rates in California and
29 shall make the same report available to the public. The report shall
30 be accompanied by the release of publicly accessible data for each
31 school district and school in a manner that provides for
32 disaggregation based upon socioeconomically disadvantaged pupils
33 and numerically significant pupil subgroups scoring below average
34 on statewide standards-aligned assessments. In addition, the data
35 shall be made available in a manner that provides for comparisons
36 of a minimum of three years of data.

37 (b) Pupil scores from the following tests, when available and
38 when found to be valid and reliable for this purpose, shall be
39 incorporated into the API:

1 (1) The standards-based achievement tests provided for in
2 Section 60642.5.

3 (2) The high school exit examination.

4 (c) Based on the API, the Superintendent shall develop, and the
5 state board shall adopt, expected annual percentage growth targets
6 for all schools based on their API baseline score from the previous
7 year. Schools are expected to meet these growth targets through
8 effective allocation of available resources. For schools below the
9 statewide API performance target adopted by the state board
10 pursuant to subdivision (d), the minimum annual percentage growth
11 target shall be 5 percent of the difference between the actual API
12 score of a school and the statewide API performance target, or one
13 API point, whichever is greater. Schools at or above the statewide
14 API performance target shall have, as their growth target,
15 maintenance of their API score above the statewide API
16 performance target. However, the state board may set differential
17 growth targets based on grade level of instruction and may set
18 higher growth targets for the lowest performing schools because
19 they have the greatest room for improvement. To meet its growth
20 target, a school shall demonstrate that the annual growth in its API
21 is equal to or more than its schoolwide annual percentage growth
22 target and that all numerically significant pupil subgroups, as
23 defined in subdivision (a), are making comparable improvement.

24 (d) Upon adoption of state performance standards by the state
25 board, the Superintendent shall recommend, and the state board
26 shall adopt, a statewide API performance target that includes
27 consideration of performance standards and represents the
28 proficiency level required to meet the state performance target.
29 When the API is fully developed, schools, at a minimum, shall
30 meet their annual API growth targets to be eligible for the
31 Governor's Performance Award Program as set forth in Section
32 52057. The state board may establish additional criteria that schools
33 must meet to be eligible for the Governor's Performance Award
34 Program.

35 (e) The API shall be used for both of the following:

36 (1) Measuring the progress of schools selected for participation
37 in the Immediate Intervention/Underperforming Schools Program
38 pursuant to Section 52053.

(2) Ranking all public schools in the state for the purpose of the High Achieving/Improving Schools Program pursuant to Section 52056.

(f) (1) A school with 11 to 99 pupils with valid test scores shall receive an API score with an asterisk that indicates less statistical certainty than API scores based on 100 or more test scores.

(2) A school annually shall receive an API score, unless the Superintendent determines that an API score would be an invalid measure of the performance of the school for one or more of the following reasons:

(A) Irregularities in testing procedures occurred.

(B) The data used to calculate the API score of the school are not representative of the pupil population at the school.

(C) Significant demographic changes in the pupil population render year-to-year comparisons of pupil performance invalid.

(D) The department discovers or receives information indicating that the integrity of the API score has been compromised.

(E) Insufficient pupil participation in the assessments included in the API.

(3) If a school has fewer than 100 pupils with valid test scores, the calculation of the API or adequate yearly progress pursuant to the federal No Child Left Behind Act of 2001 (20 U.S.C. Sec. 6301 et seq.) and federal regulations may be calculated over more than one annual administration of the tests administered pursuant to Section 60640 and the high school exit examination administered pursuant to Section 60851, consistent with regulations adopted by the state board.

(g) Only schools with 100 or more test scores contributing to the API may be included in the API rankings.

(h) The Superintendent, with the approval of the state board, shall develop an alternative accountability system for schools under the jurisdiction of a county board of education or a county superintendent of schools, community day schools, nonpublic, nonsectarian schools pursuant to Section 56366, and alternative schools serving high-risk pupils, including continuation high schools and opportunity schools. Schools in the alternative accountability system may receive an API score, but shall not be included in the API rankings.

(i) This section shall become inoperative on July 1, 2014, and, as of January 1, 2015, is repealed, unless a later enacted statute,

1 that becomes operative on or before January 1, 2015, deletes or
2 extends the dates on which it becomes inoperative and is repealed.

3 SEC. 3. Section 52052.1 of the Education Code is amended to
4 read:

5 52052.1. (a) Beginning July 1, 2011, in addition to the test
6 scores specified in ~~subparagraph (B) of paragraph (4) of subdivision~~
7 ~~(a)~~ *subdivision (b)* of Section 52052, the Academic Performance
8 Index (API) for a school or school district shall do all of the
9 following:

10 (1) Include the test scores and other accountability data of
11 enrolled pupils who were referred by the school or school district
12 of residence to an alternative education program, including
13 community, community day, and continuation high schools and
14 independent study, and be calculated by assigning all accountability
15 data on pupils in alternative education programs, including
16 community, community day, and continuation high schools and
17 independent study, to the school and school district of residence
18 to ensure that placement decisions are in the best interests of
19 affected pupils. If a pupil is referred to an alternative education
20 program by a juvenile court judge or other correctional or judicial
21 official, or if the pupil is expelled pursuant to subdivision (a), (b),
22 or (c) of Section 48915, the test scores of that pupil shall remain
23 with the alternative education program and with the school district
24 or county office of education serving that pupil. This section does
25 not prohibit the alternative education program from counting the
26 test scores of those pupils served in their alternative education
27 program. It is the intent of the Legislature that these alternative
28 education programs remain accountable to the pupils they serve.

29 (2) Exclude the test scores or other data of those pupils exempt
30 pursuant to federal statute or federal regulation.

31 (3) Include school and school district dropout rates for pupils
32 who drop out of school while enrolled in grade 8 or 9. If reliable
33 data is not available by July 1, 2011, the Superintendent, on or
34 before that date, shall report to the Legislature the reasons for the
35 delay and date he or she anticipates the specified dropout rates
36 will be included in the API.

37 (b) The advisory committee established pursuant to Section
38 52052.5 shall recommend to the Superintendent and the state board
39 all of the following:

1 (1) The length of time for which the accountability data on
2 pupils in alternative education programs shall be assigned to the
3 school and school district of residence pursuant to paragraph (1)
4 of subdivision (a).

5 (2) Whether it is appropriate to assign accountability data to the
6 school or the school district, pursuant to paragraph (1) of
7 subdivision (a), if the pupil never attended the school of residence
8 or has been absent for more than one year from the school district
9 of residence due to placement in another school or school district
10 or out of state.

11 (c) This section shall become inoperative on July 1, 2014, and,
12 as of January 1, 2015, is repealed, unless a later enacted statute,
13 that becomes operative on or before January 1, 2015, deletes or
14 extends the dates on which it becomes inoperative and is repealed.

15 SEC. 4. Section 52052.5 of the Education Code is amended to
16 read:

17 52052.5. (a) (1) The Superintendent shall establish a broadly
18 representative and diverse advisory committee to advise the
19 Superintendent and the state board on all appropriate matters
20 relative to the creation of accountability measures developed
21 pursuant to this article. Members of the advisory committee shall
22 serve without compensation for terms not to exceed two years.
23 The department shall provide staff to the advisory panel.

24 (2) For purposes of its work related to the establishment of the
25 Education Quality Index described in Section 52052.8, the advisory
26 committee shall do both of the following:

27 (A) Seek input through the establishment of subcommittees or
28 other methods from persons with expertise in the following areas:

29 (i) Public school accountability.

30 (ii) Assessment of English-proficient pupils and English learners.

31 (iii) School teaching-and-administration.

32 (iv) *School administration.*

33 ~~(iv)~~

34 (v) Education of English learners.

35 ~~(v)~~

36 (vi) High school reform and dropout prevention.

37 ~~(vi)~~

38 (vii) Special education.

39 ~~(vii)~~

40 (viii) Business and industry.

1 ~~(viii)~~

2 ~~(ix)~~ College and career preparedness.

3 ~~(ix)~~

4 ~~(x)~~ Equal educational opportunity.

5 ~~(x)~~

6 ~~(xi)~~ Pupil engagement.

7 ~~(xi)~~

8 ~~(xii)~~ Areas of study for which academic content standards have
9 been adopted by the state board.

10 (B) Commencing January 1, 2012, through July 1, 2016, meet
11 at least once each quarter per year, at the call of the chairperson,
12 at a time and location convenient to the public, as the chairperson
13 deems appropriate. All meetings shall be open to the public in
14 accordance with Article 9 (commencing with Section 11120) of
15 Chapter 1 of Part 1 of Division 3 of Title 2 of the Government
16 Code.

17 (b) By January 1, 2011, the Superintendent and the state board,
18 in consultation with the advisory committee established pursuant
19 to subdivision (a), shall make recommendations to the Legislature
20 and the Governor on each of the following:

21 (1) Approaches to increasing the emphasis of science and
22 mathematics in the calculation of the Academic Performance Index
23 or any successor measure.

24 (2) Methods to incorporate into the Academic Performance
25 Index, or into other aspects of the state's accountability system, a
26 measure of the degree to which pupils graduate from high school
27 with the skills and knowledge necessary to attain entry-level
28 employment in business or industry, as set forth in subdivision (b)
29 of Section 51228.

30 (3) Methods to incorporate into the Academic Performance
31 Index, or into other aspects of the state's accountability system, a
32 measure of the degree to which pupils graduate from high school
33 with the skills and knowledge necessary to succeed in
34 postsecondary education.

35 (c) By July 1, 2013, the Superintendent and the state board, in
36 consultation with the advisory committee established pursuant to
37 subdivision (a), shall make recommendations to the Legislature
38 and the Governor on the establishment of a methodology for
39 generating a measurement of group and individual academic
40 performance growth by utilizing individual pupil results from a

1 longitudinally valid achievement assessment system. These
2 recommendations should also address any interactions between
3 the Academic Performance Index, or any successor measure, and
4 individual test scores from the state's tests, as well as implications
5 for the reauthorization of the state's assessment system. This
6 subdivision shall not be construed to supersede the provisions of
7 Chapter 273 of the Statutes of 2009.

8 SEC. 5. Section 52052.8 is added to the Education Code, to
9 read:

10 52052.8. (a) (1) The Superintendent, in consultation with the
11 advisory committee established pursuant to Section 52052.5, shall
12 develop an Education Quality Index (EQI) for schools and school
13 districts, to be comprised of multiple valid and reliable indicators,
14 to reflect the overall performance of California's public schools,
15 school districts, and pupils, for adoption by the state board. The
16 state board shall adopt the EQI no later than August 1, 2014. Before
17 adopting the EQI, the state board shall provide opportunities for
18 public input and make changes as necessary.

19 (2) Commencing with the 2014–15 school year and each school
20 year thereafter, all schools and school districts shall be evaluated
21 using an EQI value.

22 (b) It is the intent of the Legislature that the EQI provide a
23 comprehensive and transparent measurement of pupil performance
24 and school quality to better inform parents, pupils, teachers, school
25 administrators, policymakers, and the public about public school
26 performance using multiple indicators of pupil, school, and school
27 district quality and performance.

28 (c) An EQI shall be developed for each school type and school
29 district as follows:

30 (1) For schools and school districts maintaining any of grades
31 9 to 12, inclusive, the EQI shall include, but not necessarily be
32 limited to, the following component indices:

33 (A) The State Assessment Index (SAI), as described in Section
34 52052.81.

35 (B) The Graduation Rate Index (GRI), as described in Section
36 52052.82.

37 (C) The College Preparedness Index (CPI), as described in
38 Section 52052.83.

39 (D) The Career Readiness Index (CRI), as described in Section
40 52052.84.

1 (2) (A) For schools and school districts maintaining grade 8,
2 the EQI shall include, but shall not necessarily be limited to, the
3 SAI, as described in Section 52052.81, and the GRI, as described
4 in Section 52052.82.

5 (B) The Superintendent, in consultation with the advisory
6 committee established pursuant to Section 52052.5, shall consider
7 for inclusion in the EQI for schools and school districts maintaining
8 grade 8 a valid and reliable measure or measures of pupil access
9 to and performance in college and career preparatory and
10 exploratory experiences.

11 (3) (A) For schools and school districts maintaining
12 kindergarten or any of grades 1 to 7, inclusive, the EQI shall
13 include, but shall not necessarily be limited to, the SAI, as
14 described in Section 52052.81.

15 (B) It is the intent of the Legislature that the EQI for schools
16 and school districts maintaining kindergarten or any of grades 1
17 to 7, inclusive, not be limited to the SAI, as described in Section
18 52052.81.

19 (d) The Superintendent, in consultation with the advisory
20 committee established pursuant to Section 52052.5, shall develop
21 and recommend to the state board for adoption all of the following:

22 (1) An alternative accountability system for schools under the
23 jurisdiction of a county board of education or a county
24 superintendent of schools, community day schools, nonpublic,
25 nonsectarian schools operating pursuant to Section 56366, and
26 alternative schools serving high-risk pupils, including continuation
27 high schools, opportunity schools, and dropout recovery high
28 schools.

29 (A) Schools in the alternative accountability system may receive
30 an EQI or any of its component indices, but shall not be included
31 in any rankings or comparisons to other schools based on these
32 indices.

33 (B) For purposes of this section, “dropout recovery high school”
34 means a high school in which 50 percent or more of its pupils are
35 designated as dropouts pursuant to the exit/withdrawal codes
36 developed by the department.

37 (2) The relative weights of the component indices that comprise
38 a school and school district EQI and a total value for a school and
39 school district EQI.

1 (i) For schools and school districts maintaining kindergarten
2 and any of grades 1 to 8, inclusive, the SAI shall comprise no less
3 than 40 percent of the value of the EQI.

4 (ii) For schools and school districts maintaining any of grades
5 9 to 12, inclusive, the SAI shall comprise no more than 40 percent
6 of the value of the EQI.

7 (iii) Within the EQI, the weights assigned to the CPI and CRI
8 shall be equal.

9 (3) No less than one additional component index for schools
10 maintaining kindergarten or any of grades 1 to 7, inclusive.

11 (4) Annual school and school district scores or other evaluation
12 system for the EQI.

13 (5) An annual improvement or growth target for the SAI as
14 described in Section 52052.81 and the GRI as described in Section
15 52052.82, including targets for numerically significant pupil
16 subgroups, as defined in subdivision ~~(k)~~ (l).

17 (6) Whether an improvement or growth target should be
18 established for each additional component index, including targets
19 for numerically significant pupil subgroups, as defined in
20 subdivision ~~(k)~~ (l).

21 (7) A method or methods for providing recognition, additional
22 weight, or other measures in any of the EQI's component indices
23 for schools and school districts that can demonstrate that English
24 learners are making progress toward English language acquisition,
25 graduation, and preparedness for college and career.

26 (8) Whether an annual measurement of the narrowing of the
27 achievement gap should be included for each component index,
28 including measurements for numerically significant pupil
29 subgroups, as defined in subdivision ~~(k)~~ (l).

30 (9) The relevant indices and indicators necessary to meet and
31 comply with federal law, including, but not limited to, the federal
32 No Child Left Behind Act of 2001 (20 U.S.C. Sec. 6301 et seq.).

33 ~~(10) Any additional data elements, and connections between~~
34 ~~existing data systems, that are needed to develop the indices~~
35 ~~described in subdivision (c). For purposes of this paragraph, the~~
36 ~~Superintendent and the advisory committee established pursuant~~
37 ~~to Section 52052.5 shall consult with the University of California,~~
38 ~~the California State University, the California Community~~
39 ~~Colleges, the Employment Development Department, and other~~
40 ~~appropriate entities.~~

1 ~~(e)~~ *In developing the EQI, the Superintendent and the advisory*
2 *committee established pursuant to Section 52052.5 shall consult*
3 *with the University of California, the California State University,*
4 *the California Community Colleges, the Employment Development*
5 *Department, and other appropriate entities.*

6 ~~(e)~~

7 (f) The Superintendent annually shall release the indices
8 described in this section, including all of the following:

9 (1) A composite EQI score, made up of any required component
10 indices.

11 (2) An EQI score, and a score for each component index, at the
12 school and school district level, for each numerically significant
13 pupil subgroup as defined pursuant to subdivision ~~(k)~~ (l).

14 (3) A transparent and understandable explanation of the score
15 and relative weights for each individual index.

16 (4) The relative weights of each individual indicator included
17 in each index.

18 ~~(f)~~

19 (g) (1) When additional valid and reliable pupil outcome data
20 become available, the Superintendent, in consultation with the
21 advisory committee established pursuant to Section 52052.5, shall
22 develop and recommend to the state board for adoption additional
23 indices to reflect other important elements of school quality,
24 including, but not limited to, the following:

25 (A) Creativity and innovation.

26 (B) Pupil engagement in school.

27 (C) Group or individual pupil growth in academic performance.

28 (2) In the development of any additional indices, the
29 Superintendent shall take into account the appropriateness of
30 particular indices and indicators to grade spans and school types,
31 to ensure that the EQI and all component indices and indicators
32 accurately reflect the state performance expectations under which
33 the school or school district operate.

34 (3) Any additional component index of the EQI adopted by the
35 state board for inclusion in the EQI shall not be incorporated into
36 the EQI until at least one full school year after adoption.

37 ~~(g)~~

38 (h) No later than July 1, 2013, and annually thereafter, the
39 Superintendent shall report to the Governor and the appropriate

1 policy and fiscal committees of the Legislature on all of the
2 following:

3 (1) The status of valid and reliable data to develop and include
4 in each index developed pursuant to this section, including
5 additional indices developed pursuant to subdivision (f).

6 (2) The data elements planned for inclusion in each additional
7 index.

8 (3) The timeline for the development and implementation of
9 additional indices.

10 (4) Potential impacts of each additional index on the EQI and
11 on schools and school districts.

12 (5) Potential correlations or interaction between indices,
13 including additional indices.

14 ~~(h) (1) The Superintendent shall not be limited in the~~
15 ~~development of the EQI by the scope, at the time of enactment of~~
16 ~~this section, of the California Longitudinal Pupil Achievement~~
17 ~~Data System, or any other relevant data system. No later than July~~

18 ~~(i) (1) No later than July 1, 2013, the Superintendent shall~~
19 ~~report to the Governor and the appropriate policy and fiscal~~
20 ~~committees of the Legislature any additional data required to be~~
21 ~~reported by local educational agencies for the purposes of the EQI.~~

22 (2) The requirement for submitting a report imposed under
23 paragraph (1) is inoperative on July 1, 2017, pursuant to Section
24 10231.5 of the Government Code.

25 ~~(i)~~

26 ~~(j) (1) The Superintendent, in consultation with the advisory~~
27 ~~committee established pursuant to Section 52052.5, shall, subject~~
28 ~~to an appropriation in the annual Budget Act or another statute for~~
29 ~~this purpose, contract for an independent evaluation of the~~
30 ~~effectiveness and reliability of the EQI and any statutory changes~~
31 ~~recommended for improvement, and shall submit the evaluation~~
32 ~~and recommendations in a report to the Governor and the~~
33 ~~appropriate policy and fiscal committees of the Legislature no later~~
34 ~~than July 1, 2018.~~

35 (2) The requirement for submitting a report imposed under
36 paragraph (1) is inoperative on July 1, 2022, pursuant to Section
37 10231.5 of the Government Code.

38 ~~(j)~~

1 (k) The Superintendent may develop and recommend to the
2 state board for adoption any regulations necessary to implement
3 this section.

4 ~~(k)~~

5 (l) (1) For purposes of this chapter, a numerically significant
6 pupil subgroup is one that meets both of the following criteria:

7 (A) The subgroup consists of at least 50 pupils each of whom
8 has a valid test score.

9 (B) The subgroup constitutes at least 15 percent of the total
10 population of pupils at a school who have valid test scores.

11 (2) If a subgroup does not constitute 15 percent of the total
12 population of pupils at a school who have valid test scores, the
13 subgroup may constitute a numerically significant pupil subgroup
14 if it has at least 100 valid test scores.

15 (3) For a school with no fewer than 11 and no more than 99
16 pupils with valid test scores, numerically significant pupil
17 subgroups shall be defined by the Superintendent, with approval
18 by the state board.

19 (4) Numerically significant pupil subgroups shall include, but
20 not be limited to, ethnic subgroups, socioeconomically
21 disadvantaged pupils, English learners, and pupils with disabilities.

22 SEC. 6. Section 52052.81 is added to the Education Code, to
23 read:

24 52052.81. (a) The State Assessment Index (SAI) shall be
25 comprised of pupil scores from the standards-based achievement
26 tests provided for in Section 60642.5, or any valid and reliable
27 successor assessments adopted by the state board, and the high
28 school exit examination. The pupil data collected for the SAI that
29 comes from the achievement test administered pursuant to Section
30 60640 and the high school exit examination administered pursuant
31 to Section 60851, when fully implemented, shall be disaggregated
32 by special education status, English learners, socioeconomic status,
33 gender, and ethnic group. The SAI for a school or school district
34 also shall do all of the following:

35 (1) Include the test scores of enrolled pupils who were referred
36 by the school or school district of residence to an alternative
37 education program, including community, community day, and
38 continuation high schools and independent study, and be calculated
39 by assigning all data collected for purposes of the SAI on pupils
40 in alternative education programs, including community,

1 community day, and continuation high schools and independent
2 study, to the school and school district of residence to ensure that
3 placement decisions are in the best interests of affected pupils. If
4 a pupil is referred to an alternative education program by a juvenile
5 court judge or other correctional or judicial official, or if the pupil
6 is expelled pursuant to subdivision (a), (b), or (c) of Section 48915,
7 the test scores of that pupil shall remain with the alternative
8 education program and with the school district or county office of
9 education serving that pupil. This section does not prohibit the
10 alternative education program from counting the test scores of
11 those pupils served in their alternative education program. It is the
12 intent of the Legislature that these alternative education programs
13 remain accountable to the pupils they serve.

14 (2) Exclude the test scores or other data of those pupils exempt
15 pursuant to federal statute or federal regulation.

16 (b) The advisory committee established pursuant to Section
17 52052.5 shall recommend to the Superintendent and the state board
18 all of the following:

19 (1) The length of time for which the data collected for purposes
20 of the SAI on pupils in alternative education programs shall be
21 assigned to the school and school district of residence pursuant to
22 paragraph (1) of subdivision (a).

23 (2) Whether it is appropriate to assign data collected for purposes
24 of the SAI to the school or the school district, pursuant to paragraph
25 (1) of subdivision (a), if the pupil never attended a school in the
26 school district of residence or is absent for more than one year
27 from the school district of residence due to placement in another
28 school or school district or out of state.

29 (c) All schools or school districts with at least 11 pupils with
30 valid test scores shall receive an annual SAI score, unless the
31 Superintendent determines that an SAI score would be an invalid
32 measure of the performance of a school or school district for one
33 or more of the following reasons:

34 (1) Irregularities in testing procedures occurred.

35 (2) The data used to calculate the SAI score of the school or
36 school district are not representative of the pupil population at the
37 school or school district.

38 (3) Significant demographic changes in the pupil population
39 render year-to-year comparisons of pupil performance invalid.

1 (4) The department discovers or receives information indicating
2 that the integrity of the SAI score has been compromised.

3 (5) There is insufficient pupil participation in the assessments
4 included in the SAI.

5 (d) The SAI for a school district shall not include test scores
6 from any school within that school district that had its SAI
7 invalidated for any of the reasons specified in paragraph (1) to (5),
8 inclusive, of subdivision (c).

9 (e) A school or school district with 10 or fewer pupils shall not
10 receive an SAI score.

11 (f) If a school has fewer than 100 pupils with valid test scores,
12 the calculation of the SAI or adequate yearly progress pursuant to
13 the federal No Child Left Behind Act of 2001 (20 U.S.C. Sec. 6301
14 et seq.) and federal regulations may be calculated over more than
15 one annual administration of the tests administered pursuant to
16 Section 60640 and the high school exit examination administered
17 pursuant to Section 60851, consistent with regulations adopted by
18 the state board.

19 SEC. 7. Section 52052.82 is added to the Education Code, to
20 read:

21 52052.82. (a) The Graduation Rate Index (GRI) shall include
22 one or both of the following, as appropriate to the grade
23 configuration of the school or school district:

24 (1) Four-year, five-year, and six-year graduation rates as defined
25 in Section 200.19(b) of Title 34 of the Code of Federal Regulations.

26 (2) Rates at which pupils successfully promote from one grade
27 to the next in middle school and high school and successfully
28 matriculate from middle school to high school.

29 (b) All schools and school districts shall be granted full value
30 in their GRI for graduating in five or more years a pupil with
31 disabilities who graduates in accordance with his or her
32 individualized education program (IEP).

33 (c) The Superintendent, in consultation with the advisory
34 committee established pursuant to Section 52052.5, shall develop
35 and recommend to the state board for adoption all of the following:

36 (1) The length of time for which the following shall be assigned
37 to the school and school district of residence, pursuant to
38 subdivision (a):

39 (A) The rates at which pupils successfully promote from one
40 grade to the next in middle school and high school.

1 (B) The rates at which pupils successfully matriculate from
2 middle school to high school.

3 (C) Graduation rates of pupils in alternative education programs.

4 (2) Whether it is appropriate to assign the rates at which pupils
5 successfully promote from one grade to the next in middle school
6 and high school, successfully matriculate from middle school to
7 high school, and graduation rates, to the school or the school
8 district, pursuant to subdivision (a), if the pupil never attended a
9 school in the school district of residence or is absent for more than
10 one year from the school district of residence due to placement in
11 another school or school district or out of state.

12 (3) The value graduation rates will have in the GRI for pupils
13 who graduate in four, five, or six years. The recommendation may
14 place less value on five- and six-year graduation rates than on
15 four-year graduation rates.

16 (4) Whether a California public high school that initially enrolls
17 a pupil who is at risk of not graduating on time may be granted
18 full value in their GRI for graduating that pupil in five or six years.

19 (d) The GRI for a school or school district also shall do all of
20 the following:

21 (1) Include the rates at which pupils successfully promote from
22 one grade to the next in middle school and high school, successfully
23 matriculate from middle school to high school, and graduation
24 rates, pursuant to subdivision (a), for enrolled pupils who were
25 referred by the school or school district of residence to an
26 alternative education program, including community, community
27 day, and continuation high schools and independent study, and be
28 calculated by assigning all data collected for purposes of the GRI
29 on pupils in alternative education programs, including community,
30 community day, and continuation high schools and independent
31 study, to the school and school district of residence to ensure that
32 placement decisions are in the best interests of affected pupils. If
33 a pupil is referred to an alternative education program by a juvenile
34 court judge or other correctional or judicial official, or if the pupil
35 is expelled pursuant to subdivision (a), (b), or (c) of Section 48915,
36 the test scores of that pupil shall remain with the alternative
37 education program and with the school district or county office of
38 education serving that pupil. This section does not prohibit the
39 alternative education program from counting the dropout and
40 graduation rates of those pupils served in their alternative education

1 program. It is the intent of the Legislature that these alternative
2 education programs remain accountable to the pupils they serve.

3 (2) Exclude the rates at which pupils successfully promote from
4 one grade to the next in middle school and high school, successfully
5 matriculate from middle school to high school, and graduation
6 rates of those pupils exempt pursuant to federal statute or federal
7 regulation.

8 (e) Growth targets and a statewide performance target
9 established for the GRI shall be consistent with those established
10 pursuant to the federal No Child Left Behind Act of 2001 (20
11 U.S.C. Sec. 6301 et seq.) or any successor measure adopted
12 pursuant to the federal Elementary and Secondary Education Act.

13 SEC. 8. Section 52052.83 is added to the Education Code, to
14 read:

15 52052.83. (a) The College Preparedness Index (CPI) shall
16 consist of multiple valid, reliable, and stable measures of pupil
17 preparedness for postsecondary education.

18 (b) In developing the CPI, the Superintendent, in consultation
19 with the advisory committee established pursuant to Section
20 52052.5, may consider, but is not necessarily limited to, for pupils
21 in any of grades 9 to 12, inclusive, local and state assessments,
22 course enrollment and completion, academic and extracurricular
23 programs, and advanced or additional learning opportunities, as
24 indicators for inclusion in the CPI.

25 (c) In developing the CPI, the Superintendent, in consultation
26 with the advisory committee established pursuant to Section
27 52052.5, shall recommend to the state board for adoption a method
28 for providing additional weight in the index for schools and school
29 districts that demonstrate that pupil subgroups, including
30 economically disadvantaged pupils, pupils with disabilities, and
31 English learners, are proportionately represented among pupils
32 who are prepared and eligible for enrollment in four-year colleges
33 and universities.

34 SEC. 9. Section 52052.84 is added to the Education Code, to
35 read:

36 52052.84. The Career Readiness Index (CRI) shall consist of
37 multiple valid, reliable, and stable measures of pupil readiness for
38 career. In the development of the CRI, the Superintendent, in
39 consultation with the advisory committee established pursuant to
40 Section 52052.5, may consider, but is not necessarily limited to,

1 for pupils in any of grades 9 to 12, inclusive, course enrollment
2 and completion of career pathway and standards-aligned career
3 technical education programs, industry-validated courses and
4 certifications, intersegmental articulation with institutions of higher
5 education, local and state assessments, and portfolio assessments,
6 as indicators for inclusion in the CRI.

7 SEC. 10. If the Commission on State Mandates determines
8 that this act contains costs mandated by the state, reimbursement
9 to local agencies and school districts for those costs shall be made
10 pursuant to Part 7 (commencing with Section 17500) of Division
11 4 of Title 2 of the Government Code.

O